



10 DEC 20 P3:30

STATE PROCUREMENT OFFICE
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS

1. TO: Chief Procurement Officer
2. FROM: State Procurement Office, for All Executive Dept/Agencies

Department/Division/Agency

Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:
Interisland air ticketing

4. Name of Vendor: All interisland airline passenger carriers
Address:

5. Price:
\$2.5m

6. Term of Contract: From: 1/1/2011 To: 12/31/11

7. Prior Exemption Ref. No.
PE10-040-D

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:
There is no advantage for the State to procure by competitive means. The airline industry is very volatile with rates changing continuously. Reservations can be made through various sources, such as travel agencies, internet or direct with the airlines at very competitive rates on an as need basis. Agencies can take advantage of any web fares, seasonal rates, or corporate rates. Staff can easily compare rates thereby assuring themselves of getting the most economical rates for the dates required. No one carrier can accommodate all the State's needs. Hawaiian Air does not operate to Lanai or Molokai. Island Air and GoMokulele have limited service and availability within the Islands. A survey of the airlines determined that on-line web specials and seasonal fares are more advantageous and the most economical. SPO will continue to monitor to determine if future competition is advantageous or practicable.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
Departments are free to contact one or more of the airlines direct, travel agencies, and online travel providers to seek the most advantageous rate based on travel requirements.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
Reference each department's procurement delegation authority with internal controls.

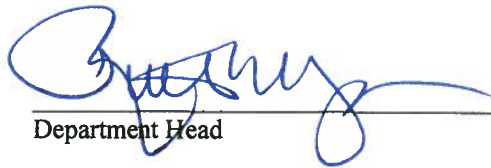
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
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		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: SPO Contact Name: Bonnie Kahakui Phone Number: 587-4702 Fax Number: 586-0570
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Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*



Department Head

12/16/2010

Date

Reserved for SPO Use Only	
15. Date Notice Posted <u>12/21/10</u>	
The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: <div style="margin-left: 200px;"> Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119 </div>	
Chief Procurement Officer's comments:	

16. ☒ **APPROVED** ☐ **DISAPPROVED** ☐ **NO ACTION REQUIRED**


 2/3/2011
 Chief Procurement Officer Date